FBIS DAILY REPORT

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VIDELA TO VISIT JAPAN, POSSIBLY U.S. IN OCTOBER

PY300237 Paris AFP in Spanish 1248 GMT 29 Jun 79 PY

[Text] Buenos Aires, 29 Jun (AFP)--President Jorge Rafael Videla will begin a visit to Tokyo and possibly to Hong Kong, Jakarta and Los Angeles (the United States), on 1 October, it was learned from official sources today. The presidential tour would last 12 days, and the president would be accompanied by "outstanding Argentine personalities from the fields of science, art and sport," the sources said. The same sources said that next year President Rafael Videla may visit the PRC.

TALKS WITH PARAGUAY ON YACYRETA TO RESUME

PY300337 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1518 GMT 29 Jun 79 PY

[Excerpts] Buenos Aires, 29 Jun (NA)--Delfin Ugarte Centurion, industry and commerce minister of Paraguay, revealed today that Paraguayan and Argentine experts of the Yacyreta binational enterprise will resume talks next week to analyze questions related to the layout of the Yacyreta dam and the compensation Paraguay claims for the flooding of its territory. Minister Centurion said that the talks must be completed as soon as possible, since international financial officials have given a 90-day deadline for the presentation of the final documents supporting the application for credits for the binational project.

He added: "We are not trying to resume contacts in order to study these questions so the political decisions can then be made in the light of the technical considerations."

Paraguayan Official's Comments

PY301901 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1620 GMT 30 Jun 79 PY

[Excerpts] Buenos Aires, 30 Jun (NA)--Paraguayan Industry and Commerce Minister Delfin Ugarte Centurion made some statements to a NOTICIAS ARGENTINAS newsman shortly before noon today at a hotel in the Retiro neighborhood, a few minutes before leaving for Ezeiza International Airport to board a plane for his country.

He referred to "the importance of the mission which brought me here, because we took advantage of the opportunity to talk with Minister Martinex de Hoz regarding the problem of the Yacyreta binational enterprise. This is important, since we have again started up the mechanism of negotiation on the basis that next week the technical experts of the two countries are to fix the dates for their meeting to study the two critical questions which have to do with the undertaking: the definition of the layout and the formula for compensation for the greater area of Paraguayan territory which will be flooded."

He pointed out: "Regarding this matter, I want to say that I did not come here to negotiate the layout or the compensation; I came to establish the procedure to solve the problems. In other words, the talks had been suspended, but we have now restrated the bilateral procedure in order to talk and discuss the merits of these questions."

When asked his opinion regarding the time it may take to find a solution to the disagreements, Ugarte Centurion believed that "it will be very soon. We all know," he added, "that there is a deadline set by the international organizations that we must not lose sight of, and within that time limit the greatest efforts will be made to arrive at a conclusion, whichever it will be, which will allow the governments to know the guidelines [words indistinct] the political solutions."

Regarding the speculations which have been made lately over the compensation Paraguay would ask for, the minister said that he wished "to clarify all doubts. It is not a question of asking for compensation, as the Argentine press has said. The compensation should be settled by the binational organization, since the flooded territory is part of the hydroelectric project which is to generate energy. The compensation which Paraguay is requesting would thus be a mathematical formula. A certain percentage of the energy tariff should be paid by the consumer of that energy."

Ugarte Centurion then said that he could not say "with any precision" when the officials would arrive in Buenos Aires who are to initiate this new stage in the negotiations on the binational enterprise, saying that first "I will meet the officials at home, and the official steps will then be taken."

In the last part of the interview, the Paraguayan industry and commerce minister disparaged rumors among political observers regarding the possibility of a split in bilateral relations because of the difficulties which have arisen over the Yacyreta project.

He said: "I do not believe in this," and stressed: "Relations between our two countries have to develop on a permanent basis. There may be problems of a greater or lesser degree, but under no circumstances can they assume such dimensions as to give rise to talk about a freezing of relations."

He said with emphasis that "many interests are at stake. We are neighbors, we are friends, and now we are also trying to reach an agreement as partners. Apart from our geographic neighborhood and the friendship between our peoples, we now wish to become allies in a huge undertaking in which we are going to establish a new legal reality, that of being partners in one of the biggest enterprises in Latin America in this century."

ECONOMIC ADVISER VIEWS IMPACT OF OPEC PRICE HIKE

PY291801 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1428 GMT 29 Jun PY

[Text] Buenos Aires, 29 Jun (NA)--Luis Garcia Martinez, Economy Ministry chief adviser, stated today that the impact of the increase in oil prices which has been established by the OPEC countries "is clearly negative". He warned about the effect it will have "on inflation and unemployment in the industrial world."

He added: "I believe that the most important peril is the disruption it will cause, the effect it will have on the economy of the Western countries. He noted: "It will aggravate the inflation problem. He added, "This has nothing to do with monetary expansion, because the economies of all the Western countries are experiencing inflation."

Garcia Martinez made this statement on the radio program "Two in the News" which is broadcast on Radio Continental. Asked when this increase in oil prices will be felt in Argentina, he said: "Immediately, because all of this is transferred immediately. Prices are already increasing."

He explained that the OPEC decision will affect "both importing and exporting nations."

Garcia Martinez said that this measure "will have a negative effect on imports, because more foreign currency will be needed to buy the same amount of oil. There will also be a problem on the prices of oil derivatives. These have a negative effect in the Argentine economic programs for domestic stability."

He noted, "I believe that the most important peril is the disruption, the effect which all this situation will have on the economy of Western countries. It will aggravate the inflation problem. As the Japanese economy minister has explained it, this means a spiral of prices and salaries, a hike in inflation and, of course, an increase of unemployment."

He noted that "this is a combination of unemployment and stagnation, and western economies will surely start to experience this with a greater impact as a result of this situation."

Garcia Martinez then asked, "what will happen to our export products as a result of this increase in oil prices?"

He said: The problem is how we are going to carry out a proper and fluid program of relative economic opening in Argentina, which is what we are doing now, in a world which as a result of this energy crisis will be filled with problems of inflation, recession and the balance of payments. It is obvious that there will be a protectionist trend, a trend to close up, to enforce restrictions on the mobility of economic relations and international financing."

He noted: "All this will have an effect on Argentine exports and on our policy, which is based on giving a greater opening to the Argentine economy. If we want to achieve the latter, we need a more suitable international framework. But the present framework seems to lead to a restrictive market which will interfere in economic relations because each country will try to solve its own problems by transferring to others the cost of the solution."

HARGUINDEGUY RELEASES DETAILED FIGURES ON DETAINEES

PY301952 Buenos Aires HERALD in English 30 Jun 79 p 1 PY

[Text] The government released for the first time last night the exact number of people held in jail without charges and revealed that over 3,000 people have been removed from the 'state of siege' list in the past two years.

The figure, 1,723, was much lower than the estimates made previously by human rights organizations, which had put the figure at around 2,700.

Interior Minister General Albano Harguindeguy made the announcements in releasing a statistical breakdown of people held prisoner or in some form of custody or who are under some kind of supervision. General Harguindeguy described the people still held in jail as "terrorists." In revealing that there were now only 1,723 people held at the disposition of the executive power, he told reporters called to Government House yesterday afternoon without prior warning that in May 1977 there had been 5,018 held in prison under the state of siege.

Commenting on the number of people released, he said: "You may draw your own conclusions." In the list, he pointed out that 1,077 people had been let out of prison and were now under house arrest, "supervised freedom," had been granted the constitutional option to leave the country or had been expelled.

The interior minister said that the decision had been made to release these figures to counter the "anti-Argentine campaign" being carried out abroad.

General Harguindeguy said that: "many of our problems in relation to the insidious campaign which exists abroad in relation to human rights in our country, and which is evidently harming us is due, perhaps, to the fact that we are all suffering a contagious defect which is pretty common in not giving information about what we are doing and what is going on."

The interior minister, questioned about the continued arrest of former LA OPINION publisher Jacobo Timerman, said that this was a matter which could only be decided by the junta. In answer to another question, he said that the government was considering making public information about the list of people reported missing to the Interior Ministry. He refused to give any information about terrorists who voluntarily gave themselves up and are undergoing rehabilitation at special, secret detention centres. He said that secrecy was vital because they would all be killed under "the Montonero code of justice" which went into effect on January 1, 1976.

He also announced a list of 190 people who are no longer being held under the state of siege, two who have been expelled from the country, nine allowed to travel abroad and 47 people who are now subject to "supervised freedom" (for the first six months they must report to the police station and live within a certain area). General Harguideguy said that only one person had so far escaped under this system.

The statistics revealed that arrests were 3,546 during the period November 1974 to March 23 1976; 3,464 from March '76 to December '76; 1,275 in 1977; 386 last year; and 42 up until June 28 this year. The number of people freed was: 830 from '74 to '76, 1,505 from March to December '76, 1,879 in 1977, 1,069 last year and 630 this year so far.

ARRESTED PERONIST LEADER RELEASED AFTER INTERROGATION

PY300201 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0030 GMT 30 Jun 79 PY

[Text] Buenos Aires, 29 Jun (NA)--Peronist leaders Guillermo Hermida and Adrian Amoedo, who were arrested last night in the Congress neighborhood, were released after a brief interrogation at the 5th District office of the Federal Police, the chief's office reported today. The arrest was made by personnel of the Federal Security as a routine security measure as the two leaders left the Peronist Party study center at Sarmiento 1720, which is yet to be dedicated.

BRIEFS

UNION LEADER DETAINED--Buenos Aires, 28 Jun (LATIN)--The Mechanics Union today issued a communique requesting the release of Rogue Di Caplio, leader of this union who was detained in Mar del Plata on Monday. The communique points out that Di Caplio represented the Argentine labor union at the ILO Assembly in Geneva last year. [Buenos Aires LATIN in Spanish 2025 GMT 28 Jun 79 PY]

ELECTION VOIDED--Buenos Aires, 27 Jun (NA)--The Labor Minister has voided the election held by the Argentine Chamber of Commerce on 30 April 1979 on the grounds that it violated Military Junta Decree 9/76 and Law 21356 forbidding activities of workers and businessmen's associations. [Text] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 1745 GMT 27 Jun 79 PY]

PEACEFUL ELECTION HELD; SILES ZUAZO TAKES EARLY LEAD

President Calls for Maturity

PY300250 La Paz Domestic Service in Spanish 0100 GMT 30 Jun 79 PY

[Speech to the nation by President Padilla Arancibia, in La Paz--live]

[Excerpts] When we are on the threshold of an historical act such as the 1 July elections, all of us--businessmen, workers, peasants, students, the military--all of us must meditate about the importance of our personal and collective positions. It is not a question of correcting the past. What has happened has happened and that is that. Neither men nor societies have the power to distort time in order to correct their errors. But yes, dear fellow countrymen, they have the future within their reach. And it is this future which we must think about this Sunday. What kind of a country do we want for ourselves, for our children and for the children of our fellos countrymen? The answer to the first question is relatively new. All of us want a prosperous, just nation, without exploitation, capable of playing an independent and worthy role within the international system.

This Sunday's elections are from every point of view an outstanding event in our history. There is no official candidate sponsored directly or indirectly by the government over which I preside. The electoral laws are the result of the recommendations of the political parties and fronts themselves which will participate in the elections. The multicolor and multiemblem ballot is at last a reality. The representation and rights of the majorities and minorities are guaranteed. A dispassionate and serious analysis leads us to the conclusion that it would be very difficult to obtain better legal conditions than the existing ones.

This is why on 6 August, when our time in office has concluded, the armed forces will return to their garrisons with heads high, having carried out their duty. We will return to the garrisons to carry out the role which the laws have dictated for us. We will respect the constitution and we want to be respected. No Bolivian must fear that his rights will be trampled. The armed forces, united and worthy, will be the main guarantee of the constitutional government and of the rights of the citizen. Fellow countrymen, we have two great tasks before us and we are going to carry them out well. The first one is to conclude in peace this electoral process which in turn will culminate in a government elected in accordance with what is established in the constitution. I repeat, we will not permit any type of pressure or obstruction. We will not tolerate any type of provocation which could harm our entering into a state of legality guaranteed by the armed forces. The second task is more difficult, it is that of building a future. And I stress that obedience to the laws and respect for institutions are indispensable to a great national agreement which must be placed above sectarianism and egoism to consolidate a constitutional government and to open the doors to peaceful and civilized coexistence among fellow countrymen in order to cement the bases of this country, an ideal of which we all dream. I am sure that in the end the courage and the calm of the Bolivian people will win over adversity, that we are mature in freedom and that we can win this freedom in peace. Thank you.

1.4 Million Votes Cast

PY020429 Buenos Aires LATIN in Spanish 0353 GMT 2 Jul 79 PY

[Excerpts] La Paz, 1 Jul (LATIN)--The leftwing presidential candidate for the Democratic and Popular Unity, former President Hernan Siles Zuazo, was running ahead of his two main adversaries tonight, according to the slow, unofficial vote count following the Bolivian elections held today in the midst of absolute tranquility. The official vote count of the nine departmental electoral courts will conclude on 16 July, which is the deadline granted to them by the National Electoral Court, which will then compile the nationwide results by 27 July. Of the 1,745,643 officially registered voters, unofficial reports indicated tonight that approximately 1.4 million citizens actually cast votes. Therefore, the possible direct winner must get approximately 700,000 votes to obtain majority support, a difficult feat.

Paz Estenssoro Second

PY020615 [Editorial report PY] La Paz Radio Panamericana in Spanish at 0505 GMT on 2 July, immediately before signoff, carries the latest unofficial nationwide returns which show Hernan Siles Zuazo of the Democratic and Popular Unity [UDP] maintaining a plurality over second-place Victor Paz Estenssoro of the National Reovlutionary Movement Alliance [MNRA], while Hugo Banzer of the National Democratic Action [ADN] held third place. With over 607,000 votes counted, just under half the total, the results were as follows: Siles Zuazo, 196,194 (32.3 percent); Paz Estenssoro, 180,244 (29.7 percent); and Banzer, 124,622 (20.3 percent). Marcelo Quiroga Santa Cruz of the Socialist Party [PS] was fourth with 52,356 (8.6 percent), followed by Rene Bernal Escalante of the Popular Alliance for National Integration [APIN], backed by the Bolivian Socialist Falange, with 35,606 (5.7 percent). The remaining votes were scattered among Luciano Tapia of the Tupac Katari Indian Movement, 6,745; Walter Gonzales Valda of the Bolivian Unity Party, 5,565; and Ricardo Catoira of the Workers Vanguard, 5,515. Siles Zuazo's plurality reached 46 percent at one point during the vote counting, but gradually eroded as it progressed.

La Paz Radio Fides at 0420 GMT reports unofficial figures which give Siles Zuazo 111,591 votes; Banzer, 74,565; Paz Estenssoro, 45,049; Quiroga, 22,026; and Bernal, 6,063. Siles Zuazo is also reported as leading in Cochabamba City with 22,089, followed by Banzer, 20,922; Quiroga, 17,930; Paz Estenssoro, 10,023; and Bernal, 3,999.

La Paz Radio Panamericana in Spanish at 0310 GMT carries the latest count from Santa Cruz, which gives Paz Estenssoro the lead with 73,067 votes, followed by Banzer, 26,235; Siles Zuazo, 23,407; and Bernal, 7,692. In Oruro, according to a report from La Paz Radio Cruz del Sur at 0425, Paz Estenssoro leads with 32,268; Siles Zuazo has 24,111; Banzer, 11,141; Bernal, 8,497; and Quiroga, 5,844. In its final report before signoff at 0612 GMT, Radio Fides gives the following unofficial count; Siles Zuazo, 383,822; Paz Estenssoro, 256,928; Banzer, 188,206; Quiroga, 82,655; Bernal, 43,678; Taipa, 15,028; Catoira, 10,437; and Gonzales, 9,645. Based on early fragmentary returns from the country's nine departments, Fides reports Siles Zuazo leading in La Paz, Potosi, Chuquisaca (Sucre) and Cochabamba. Paz Estenssoro is leading in Beni, Pando, Tarija, Oruro and Santa Cruz. The count represents roughtly 71 percent of the total.

AMBASSADOR TO U.S. TO RETURN TO WASHINGTON

PY291521 Buenos Aires LATIN in Spanish 1318 GMT 29 Jun 79 PY

[Text] Santiago, Chile, 29 Jun (LATIN)--Foreign Minister Hernan Cubillos reported today that Jose Miguel Barros, Chilean ambassador to Washington, will return to his post this weekend. Barros was called back by the Chilean Government to review bilateral relations. The foreign minister told journalists that Barros will arrive in Washington from Geneva where he is attending work meetings of Chilean experts. The experts are studying several judicial positions submitted by the United States during the recent UN conference on maritime law. These also may be submitted to the pope's mediation on the border dispute with Argentina.

Ambassador Barros has been absent from his post for 29 days, 10 of which were spent briefing the Chilean president on the situation brought about the Chilean court's refusal to grant the extradition of three military officers implicated in the assassination of former Chilean Foreign Minister Orlando Letelier. This decision had annoyed the White House.

GOVERNMENT PROTESTS EXPULSION OF CHILEANS FROM PERU

PY300326 Paris AFP in Spanish 2234 GMT 29 Jun 79 PY

[Text] Santiago, 29 Jun (AFP)--Chile has protested to the Peruvian Government the expulsion of several Chilean citizens by Peruvian authorities, Foreign Minister Hernan Cubillos revealed here today. Questioned by journalists, Foreign Minister Cubillos said: "The Foreign Ministry made the appropriate protest." Reports from Peru said authorities recently ordered the expulsion of several Chilean citizens because they had no legal residence papers. Cubillos said: "Peru is afflicted by (?a) slight psychosis in the wake of the incidents which occured at the beginning of the year." Peru declared the Chilean ambassador persona non grata on 20 January and recalled its representative in Santiago following spying charges against Chilean diplomatic personnel.

LEIGH ACCUSED OF JOINING CAMPAIGN AGAINST NATION

PY301922 Paris AFP in Spanish 0339 GMT 30 Jun 79 PY

[Text] Santiago, Chile, 29 Jun (AFP)--Gen Gustavo Leigh, who was a member of the present Chilean Government junta, was accused here today of having joined an "international campaign" against the country. Leigh said 2 days ago that the closing of the weekly HOY, ordered by the military government, is "an untimely challenge against the international community." He accused President Pinochet's regime of "political shortsightedness." General Leigh, now in retirement, was air force commander and member of the military government junta until he was dismissed from both posts on 24 June last year.

Foreign Minister Hernan Cubillos asserted today: "By his statements regarding the suspension of the HOY magazine, he has joined the international campaign to discredit Chile."

The weekly was closed for 2 months for having published interviews with two leaders of the outlawed Socialist Party.

Gustavo Leigh was one of the generals who headed the military movement in 1973 which overthrew the late Socialist President Salvador Allende.

PRESIDENT NOTES 'VERY CLOSE' RELATIONS WITH SPAIN

LD281345 Madrid EL PAIS in Spanish 24 Jun 79 p 8 LD

[Juan Arias undated interview in Florence with Colombian President Julio Cesar Turbay Ayala: "Democracy Has Enabled Spain To Regain Its Full Prestige in Latin America"]

[Text] Question: What role does Colombia play within the agitated framework of Latin America?

Answer: We have the extraordinary advantage of being the oldest democracy in Latin America. Since the days of independence, right up to the present day, the democratic process in Colombia has only ever been interrupted very briefly. Only once this century, under General Rojas Pinilla, from 1953 through 1957. That was only an eclipse in our democracy. In fact our people have never feared democracy. In our country dictatorship was a foreign body which never managed to become rooted. Our people's lifestyle is consistent with the wishes of the vast majority of the people.

Question: Is there any danger of attacks on democracy in your country?

Answer: In political terms, no. There are only movements of common delinquents who cover up their activities with certain political campaigns. But structly speaking there are no political delinquents, only common delinquents disguised as political delinquents.

Question: How does a country which has always been democratic, like Colombia, suffer because of, and coexist with, the dictatorships of the remaining countries of the continent.

Answer: We are accustomed to coexisting with governments with different ideologies in Latin America. The American regional system has an OAS and the ninth inter-American conference recommended maintaining relations among the states so that the system could work. This familiarized us with the governments with different ideologies and this is how we have coexisted for a long time with extreme rightwing governments dominated by the military or with extreme leftwing governments such as Mr Castro's or Mr Allende's. We have no political prejudices in maintaining relations. We have always advocated the policy of ideological pluralism to be able to maintain relations with all countries throughout the world. You can see that we have relations with all the countries of the socialist area and almost all the Western countries. Ours is a country with an open mind, a desire for rapprochement and broad channels for the circulation of ideas. There are no sins of opinion in my country. Nobody is punished for what he says or thinks, only for acts contrary to the constitution and the laws.

Question: What is your country's present attitude toward Nicaragua?

Answer: We have discussed the problem jointly with the other presidents of the Andean countries, specifically with Bolivia, Ecuador, Peru and Venezuela. From the outset we saw that if there was to be the persecution that has indeed taken place against people who have been active in opposition movements, to close embassies would have meant closing sanctuaries, adopting an ambiguous position of protest against the violation of human rights, while at the same time excluding any possibility of our helping the people who needed our political asylum. Later a meeting of the Andean countries' foreign ministers was held at which the Venezuelan and Ecuadorian ministers were appointed to go to Nicarague to talk with Mr Somoza and urge him to facilitate solutions.

They did not receive an affirmative reply and so a further step was taken beyond simple condemnation, namely to acknowledge the Sandinist forces' state of belligerence, so that they are no longer regarded as rebels carrying out an armed uprising but forces deserving a different kind of treatment in line with internation law. I believe that this has been so effective that it has helped that group more than anything else. Now we have gone to the Washington conference with the aim of facilitating the formation of a government which will guarantee security for the Nicaraguan people, preventing the possibility of a bloodbath and, on the other hand, guaranteeing observance of human rights, the establishment of freedoms, the strengthening of the democractic institutions and preventing that country from falling into chaos. We are by no means indifferent toward Nicaragua's fate and we do not support the theory that even if the worst happens, it is unimportant as long as a bad situation is resolved. Let bad be replaced by good and not something worse.

Question: You are about to make a state visit to Spain. What is the present state of relations between the countries?

Answer: This is the best moment during their long history. Obviously, the presence of the Spanish king and Queen in Colombia constituted a powerful stimulus to relations between Spain and Colombia, but there is something which has prompted real enthusiasm in Colombia, in Latin America and throughout the world, and that is Spain's return to democracy. The fact that Spain now has a representative democratic government and freedoms gives it an extraordinary world importance and restores its full prestige in Latin America. What once separated us from Spain was the policy of the long years of Francoism and by no means any lapse in our affection for a country so closely to bound to ours and on which we depend. Some people call it a fraternal country and others a mother country, but in any case we are very closely related.

Question: What is the specific significance of your visit to Spain?

Answer: First, it is an opportunity to talk again with Prime Minister Adolfo Suarez. I am privileged to be his friend and also the friend of several other current Spanish political leaders, for instance Felire Gonzalez, who has been to my country on several occasions and who did me the honor--which I much appreciated--of attending the ceremony of my inauguration as president of the republic. There are many current Spanish figures with whom we maintain lively contacts. Specifically, we are very keen to strengthen understanding between the countries. We find that Spain is closest to our technological needs and requirements. The technology of the superpowers is a sophisticated one and Spanish technology is simple--Spanish-style technology. On the other hand, in the cultural field there is much that we Latin Americans must continue to learn from Spain and that Spain can observe in an awakening country. Apart from this, there is a firm intention to reach an important agreement on diplomatic complementarity, which itself shows how cordial our relations are. I am referring to the fact that wherever Colombia has no embassy, it will be represented by Spain and, on the other hand, wherever Spain has none, we will represent it. Also very great facilities are going to be provided for Spaniards to gain Colombian nationality and vice versa. This is the first agreement of this kind that we have made with any country.

Question: Colombia has sent the Vatican a Spanish clergyman who will occupy the third most important position in the Vatican hierarchy under the present papacy. I am referring to Cardinal Bduardo Martinez Somalco, who was papal nuncio to Bogota. What was your country's verdict on this appointment?

Answer: I am well acquainted with Cardinal Martinez Somald. He was one of the most refined diplomats to have passed through Colombia. He leaves a large number of friends there. We have always admired him and we are better acquainted than most with his intellectual standard and his human qualities. His holiness' wisdom is evinced in the aptness of his appointments. The appointment of Cardinal Martinez Somalo to replace the secretary of state shows this clerly. As an anecoote, I will tell you that Bogota has always been a good post for nuncios. The majority of them have become cardinals and some of them have achieved great prestige, like Samore, Baggio and Bertoli.

Question: When Paul VI visited Colombia 11 years ago an Italian weekly carried the following banner headline, referring to the social situation in Colombia: "Pope To Visit Inferno." What has changed in your country 11 years on?

Answer: Colombia is no longer an inferno. Now it is just a purgatory. But as you know there is always hope in purgatory. Nobody leaves purgatory for the inferno. We still have many blemishes, the ills of growth, but we also have an expanding economy. In 1970 we exported $680 million worth of goods and now the figure is over $3.5 billion. Our trade and economy are expanding. Economic growth last year reached 8 percent and we have managed to limit inflation to 21 percent. We want to be self-sufficient in oil again. We have vast material resources. We are the foremost country in Latin America with regard to coal, hydroelectrical energy, gas and minerals of all kinds. This is why my visit to Europe and specifically to Spain is aimed to help us emerge from our seclusion to create a policy of greater rapprochement to Europe and above all to Spain.

DAS HOLDS WFTU SECRETARY GENERAL FOR 2 HOURS

PA300156 Bogota Cadena Radial Super in Spanish 0000 GMT 30 Jun 79 PA

[Text] Enrique Pastorino, secretary general of the World Federation of Trade Unions, was held under arrest for 2 hours today by the Administrative Department of Security. Pastorino, who is from Uruguay, is attending a congress of the Trade Union Confederation of Workers of Colombia in Bogota.

MINISTER SAYS FUEL BLOCKADE AGAINST SOMOZA TO BE PROPOSED

PA292024 Paris AFP in Spanish 1844 GMT 29 Jun 79 PA

[Text] Bogota, 29 Jun (AFP)--Colombian Foreign Minister Diego Uribe told a Colombian radio network from Belgrade today that Colombia will propose to the other Andean Pact countries that a fuel blockade against Nigaragua be established. Uribe said another meeting of OAS foreign ministers is being awaited for radical and effective measures to be adopted against the Somoza regime, including a possible fuel blockade.

VOLUNTEER BRIGADE TO JOIN SANDINISTS

PA301207 (Clandestine) Radio Sandino in Spanish to Nicaragua 0443 GMT 30 Jun 79 PA

[Text] Bogota--It was learned yesterday that a volunteer brigade has been organized in Colombia to fight in the ranks of the Sandinist National Liberation Front against genocidal Somoza. This brigade, named after Simon Bolivar, is comprised of 766 fighters.

CABINET CHANGES DENIED; MONTANARO VOWS 'TIGHTENING'

PY291412 Asuncion HOY in Spanish 29 Jun 79 p 8 PY

[Passages printed in upper case were originally published in bold face]

[Text] WHERE DO THESE RUMORS COME FROM? WHO IS BEHIND THIS CAMPAIGN? These were some of the questions heard early yesterday morning at Presidente Stroessner International Airport.

Many government officials went yesterday with the president to Teniente Primero Ramiro Espinola, where he opened the Patria experimental center located 628 km from Asuncion.

Asking about rumors on POSSIBLE CHANGES WITHIN THE INTERIOR MINISTRY, MORE SPECIFICALLY WITHIN THE POLICE FORCES (in accordance with what a local radio reported yesterday in its morning broadcast), reporters from this newspaper had the following talk with Conrad Pappalardo, director of protocol:

[Question] IS THERE ANY TRUTH IN THE RUMORS WE HEAR...?

[Answer] They are false. There are not going to be any changes for the time being. Maybe later, when everything is calmer...

[Question] BUT THERE ARE PERSISTENT RUMORS THAT SOME OFFICIALS WILL BE CHANGED.

[Answer] If the president has something in mind, he will not say anything. He is a very prudent man.

Pappalardo added: "DO NOT WORRY, IF THERE IS ANYTHING, YOU WILL BE THE FIRST TO KNOW." Pappalardo excused himself and immediately went into the Beechcraft warehouse to take out a twin-engined plane. Waiting for the engines to start, GENERAL BARRIENTOS [finance minister] looked at the sky and said: "IT IS GOING TO BE A BEAUTIFUL DAY. IT IS IDEAL WEATHER FOR FLYING."

The beautiful aircraft, which was piloted by Pappalardo and carrying the finance minister, left immediately for the Chaco region.

When he was about to board another Beechcraft plane, piloted by Captain Fretes, Mario Abdo Benitez [presidential secretary] spent a few minutes with journalists. He was with Anibal Fernandez, presidential under secretary of information and culture.

[Question] DO YOU HAVE ANYTHING TO TELL US?

[Answer] I know there is work being done on a draft which will introduce some changes to Law No 309, which is the organic police law.

[Question] WILL SOME OFFICIALS BE REPLACED?

[Answer] I do not know that, but there may be some changes in operation. But you can ask the interior minister about it.

The pilot interrupted by calling Abdo Benitez, who shook hands with the journalists. He boarded the plane preceeding Fernandez, who had been a silent witness to the statement issues by the president's secretary.

The interior minister met with reporters from this newspaper at 1800 in his office at the Interior Ministry building located on the corner of Estrella and Montevideo streets.

Interior Minister Sabino Augusto Montanaro categorically stated: "THERE WILL NOT BE ANY REORGANIZATION HERE, THERE WILL NOT BE ANY CHANGES! NO REORGANIZATION IS BEING PLANNED! THERE IS NOTHING BEING STUDIED NOR WILL THERE BE ANYTHING! WHAT WE WILL HAVE HERE IS A TIGHTENING OF SCREWS! A TIGHTENING OF SCREWS!"

FREEDOM OF PRESS, OAS VOTE DEBATED IN SENATE

PY291808 Asuncion ABC COLOR in Spanish 29 Jun 79 p 14 PY

[Text] Radical Liberal Party Senator Enzo A. Doldan yesterday verbally presented a declaration which "declares illegal the isolation of the Febrerist Revolutionary Party's office and the suspension of the newspapers ULTIMA HORA and LA TRIBUNA.

Beginning his speech, he said: "In an unusual and surprising manner, without any legal justification, freedom of the press has been abolished. The Congress cannot remain unconcerned over the violation of constitutional principles by the Interior Ministry through its Resolution No 435. "And there are other measures to be criticized, such as the abuse of power through the arbitrary, illegal, unusual and unpunished violation of the building of a party which is recognized by law. As if this were not enough, the police, with its arbitrary action--as usual--proceeded to kidnap a lawyer who had publicly defended the interests of the people." In citing the list of events, the Radical senator also mentioned the "Paraguayan vote at the OAS session to keep the Somoza family in power, a fact which is leading the Paraguayan confrontation with democratic institutions in Latin America to very dangerous limits. The nation's international policy must be reformulated."

He added: "We are not going to present any legal argument to ask for the rejection of Resolution No. 435, because the illegality of the measure stands out with absolute clarity. It is useless to talk about the abuse of the freedom of expression or of other arguments, because the truth has penetrated deep inside the people. We should not do anything which might aggravate the situation. We should not allow such blunders to break the current constitutional balance. I am not attempting to resort to politics to take advantage of the situation. I have a sincere desire to look for political solutions which may abandon arbitrary actions and sectarianism and strengthen the country's democratic conviction. We congressmen have to search for solutions, for some reason we have sworn to God and the fatherland to fulfill all the principles of the National Constitution.

Senator Ezequiel Gonzalez Alsina [government party leader in the Senate] then took the floor to indicate that "We are convinced that the measure (suspension of newspapers) is temporary, exceptional and unique. The measure aims at achieving the reestablishment of a responsible freedom of expression which may also be soundly balanced. We should also note the causes, and see that the basket has equal weight and counterweight. Several warnings of different tones had been given before the measure. We do not know where the corruption comes from. The people had been fed through the press with a number of reports which had made evident the distortion of freedom of the press and which also had served as channels of journalistic promotion. This measure should be taken as a notice to the congressmen. We must strengthen the responsibility of the freedom to inform." Senator Gonzalez Alsina [Colorado Party] also referred to the Paraguayan vote for Nicaragua. He said: "We voted for the nonintervention and nothing else." And regarding recent remarks made by Ambassador White, he asked "if the press were the appropriate channel for those remarks," and not the government of the country which has accredited him.

Two loans by the IDS were also approved during yesterday's session. One for PIDAP [integrated Paraguayan Agricultural and Livestock Development Program--Proyecto Integrado de Desarrollo Agropecuario del Paraguay] and the other for rural public health programs.

GOVERNMENT SEEKS EXPANDED RELATIONS WITH CEMA COUNTRIES

FL292303 Havana Domestic Service in Spanish 2236 GMT 29 Jun 79 FL

[Text] Jorge Eduardo Navarrete, Mexican under secretary of foreign relations, has declared in Moscow that agreements of broader scope are being sought from the relations between Mexico and CEMA which were initiated through bilateral relations with Cuba. Navarrete made this statement to PRENSA LATINA shortly after the closing of the 33d CEMA meeting held in Moscow, the Soviet capital. He added that bilateral relations with Cuba reached a crowning moment with the recent visit to Mexico by Cuban President Fidel Castro which helped to establish a number of shared criteria in the area of economic cooperation. He said that Mexican-Cuban relations within CEMA are the most important, in quantitative terms, which Mexico maintains with CEMA. He added that expansion of Mexican-Cuban relations is being sought. During the official commemoration of CEMA's founding, the Mexican foreign under secretary conveyed congratulations and a message of solidarity from Mexican President Jose Lopez Portillo to the socialist organization. The message recalls the Mexican president's visit to CEMA headquarters in Moscow in May 1978 when he emphasized the political and economic significance of the organization and the influence which CEMA resolutions have in the international community. Answering a PRENSA LATINA question, Jorge Eduardo Navarrete explained that Mexico is optimistic with the possibilities of expanding bilateral relations with each CEMA-member country. The Mexican foreign under secretary said that so far Mexico's relations with CEMA have been limited but his country expects to consolidate such relations.

OIL SEEN AS TOOL FOR DOMESTIC INDUSTRIAL DEVELOPMENT

PA300415 Mexico City International Service in Spanish 0313 GMT 30 Jun 79 PA

[Text] According to the national industrial development plan, the industrial policy drafted for the next two decades is to maintain the prices of energy at preferential levels for the industrial plants which are established in priority areas. The plan considers it appropriate for a country with abundant oil reserves to use these in international competition and to promote the growth of domestic industry. Therefore, electric power, oil, natural gas and petrochemical raw materials must continue to have special prices for industry.

SHRIMPING CONTINUES NEAR IXTOC UNO OIL SPILL

FL291403 Merida Radio Yucatan Network in Spanish 1245 GMT 29 Jun 79 FL

[Text] Mexico City--Currently, Fishing Department authorities have not taken any emergency measures in the area of Campeche with respect to the oil spill from the Ixtoc Uno well, 25 days after the explosion, nor have they prohibited shrimping in the Gulf of Mexico. According to Lic (Carlos J. Ciego), official spokesman for the Fishing Department, preliminary research done by scientists at the National Fishing Institute indicates that the oil spill has not had dangerous effects on the shrimp, nevertheless, some fish species have been contaminated and dead fish have been found.

ELECTIONS FOR CONGRESS, STATE GOVERNORS OFF TO SLOW START

PA011954 Buenos Aires LATIN in Spanish 1722 GMT 1 Jul 79 PA

[Text] Mexico City, 1 Jul (LATIN-REUTER)--Today's voting for the congress and state governors got off to a slow start. An overwhelming victory is expected for the Institutional Revolutionary Party (PRI), which has dominated Mexico's political life for the past 50 years. President Lopez Portillo voted early. Yesterday he urged the 26 million registered voters to exercise their right to elect their own government. In past elections the abstention rate has varied between 30 and 40 percent. More than 2,500 candidates are competing for 400 congressional seats and governors offices in 7 states.

PDC LEADER CRITICIZES RECOGNITION OF RECONSTRUCTION GOVERNMENT

PA291525 Panama City ACAN in Spanish 2143 GMT 28 Jun 79 PA

[Text] Panama City, 28 Jun (ACAN-EFE)--The Panamanian Christian Democratic Party [PDC] reiterated here today its anti-Somozist stand, but at the same time it criticized the Panamanian Government for having recognized the junta of the Government of National Reconstruction established by the Nicaraguan rebels. Ricardo Arias Calderon, a PDC leader, told ACAN-EFE that this recognition is "outside all provisions of international law on this subject and represents a continuation of the Panamanian Government's interventionist policy in the Nicaraguan civil war." Arias added that "this policy is contrary to Panama's interests because the theory and practice of nonintervention are vitally important for this country, in which the United States has intervened several times."

According to the Christian Democratic leader, the new canal treaties, particularly the neutrality treaty, "unfortunately leave open the door to U.S. intervention in Panama's affairs." "That is why," Arias added, "Panama's foreign policy should strictly comply with the principle of nonintervention so that a precedent will not be established which could be used against it under the cover of the Torrijos-Carter treaties." However, he indicated that the criticism of the recognition of the new Nicaraguan Government "does not mean that Panama has to sit idly by," since Christian Democracy believes that President Anastasio Somoza is a tyrant who commits "acts of barbarity."

Under the current circumstances, Panama should act multilaterally in international organizations, the PDC leader said. Arias told ACAN-EFE that the Panamanian Government's attitude is "hypocritical" because it defends democratic principles in other countries which it refuses to fully apply here. He noted that in 1969, assassinated Nicaraguan newsman and opposition leader Pedro Joquin Chamorro told Gen Omar Torrijos that he could congratulate him only on the day when Panamanians were allowed to hold free elections. "That day has yet to arrive," Arias added. Violeta Barrios, Chamorro's widow, today ended a 2-day official visit to Panama as a member of the junta of the Government of National Reconstruction.

FRENO Disagreement With PDC Spokesman

PA300100 Panama City Domestic Service in Spanish 2230 GMT 29 Jun 79 PA

[Text] Important National Opposition Front [FRENO] leaders told Radio Libertad today that they disagree with Ricardo Arias Calderon of the Christian Democratic Party [PDC], who said that the recognition of the Nicaraguan Government of National Reconstruction was illegal. FRENO leaders said that the opinion of the PDC does not represent that of the majority of FRENO members. They told our reporters that the Nicaraguan situation and the recognition of the Government of National Reconstruction are not matters to be dealt with according to legal norms but with human and international solidarity. In this respect, they added, the majority of FRENO members are in favor of recognizing the Government of National Reconstruction but if they have not done so publicly, it is only because they do not wish to support the position assumed by the government of President Aristides Royo.

NICARAGUAN JUNTA MEMBERS APPEAR BEFORE LEGISLATORS

PA282203 Panama City Circuito RPC Television in Spanish 1800 GMT 28 Jun 79 PA

[Text] The Government of National Reconstruction of Nicaragua represents the true democratic alternative and is made up of all democratic sectors in the country; we are in the final stage of the struggle for liberation, Sergio Ramirez told the Legislative Committee of the assembly of corregimiento representatives in expressing his appreciation for the warm welcome received from the Panamanian legislative branch.

Ramirez was accompanied by Violeta Barrios de Chamorro, Alfonso Robelo Callejas and father d'Escoto. Ministers Oyden Ortega, Gustavo Garcia de Paredes, Adolfo Ahumada and Jorge Medrano attended the ceremony. Ramirez said that Government of National Reconstruction of Nicaragua is aware of the great responsibility it faces because we will receive from genocidal Somoza a country in ruins, more than 50,000 persons killed, the economy destroyed and no harvest. He said the junta is the true democratic alternative. He added that they reject internationalization of the Nicaraguan problem because the Nicaraguans must solve their own problems. We will not permit any intervention and we demand relations based on mutual respect, the right to self-determination and the right to govern ourselves.

In an impromptu speech to reply to the words by Assembly President Juan Antonio Barba, Ramirez denied the rumors that the Sandinists will cause a bloodbath in Nicaragua. He said there cannot be any worse horror than Somozism. Our government, he added, has the maturity and responsibility necessary to assume its role. He said that it is not a simple change because there will be deep changes in the structure. We will bury everything erected by Somozism. We will expropriate all of the possessions of the Somoza family and convert them into the property of everyone. Somoza and the Panama Canal are creatures of the United States, so expelling Somoza is an act of sovereignty such as recovery of the Panama Canal is, he concluded.

Interview on Communist Influence, U.S.

PA290351 Panama City Televisora Nacional in Spanish 2315 GMT 28 Jun 79 PA

[Mario Velasquez interview with Dr Sergio Ramirez Mercado, member of the Government of National Reconstruction of Nicaragua, 28 June, place not given--recorded]

[Excerpt] [Question] Regardless of its justification, another cause for concern in both Latin America and the United States is the degree to which the Sandinist Front is under communist influence and whether this might therefore extend to the Government of National Reconstruction. What could you tell us about this problem?

[Answer] Obviously in Nicaragua, as in Panama and in all other parts of the world, there are Marxist sectors which have their own programs for solutions to national problems. Our Government of National Reconstruction will of course not be an anti-communist government. As a democratic government, we will give all sectors the opportunity to express their ideas and to implement their own political projects in accordance with the democratic process. This is the true meaning we wish to give democracy in Nicaragua.

Of course the Sandinist Front includes Marxists, Christians, liberals and social democrats as well as Nicaraguan patriots interested in overthrowing the dictatorship and bringing about a fundamental change in our fatherland's structures. They constitute the large majority. It is on the basis of this large majority that we will further this anti-Somozist program, which, I insist, is a program with clear consequences for the country's future and organization. The change we will bring about will not be an inconsequential one, because it is not merely a matter of eliminating the Somoza family from political life but everything the Somoza family represents in Nicaragua as well, all that the Somozist system represents in terms of corruption and crimes in Nicaragua.

[Question] Dr Ramirez, the Washington POST said today that the Nicaraguan Congress might elect a Nicaraguan citizen close to Somoza, and who is also the president of the Congress or Chamber of Deputies. What would the junta's position be if Somoza resigned and if the president of the Congress or of the Chamber of Deputies were elected president of Nicaragua?

[Answer] I would like to alert the Panamanian people, who have so generously offered us their solidarity in this struggle: The election of a gentlemen called Pablo Renner to the presidency to replace Mr Somoza would not represent any change at all.

It would mean absolutely nothing to us. It would be Somozism with a different name or, as we say in good Nicaraguan, the same monkey with a different tail. Pablo Renner first managed Somoza's ranches, then administered his businesses. He is a loyal representative of the Somoza family's interests, and the fact that he might become president does not in any way change the conditions of our struggle. The 40,000 dead our people have left in Nicaragua's streets and mountains over the past 2 years of course did not die so Mr Pablo Renner, who is a representative of the Somozist regime and a participant in Somozism's corruption and crimes, could become president. The Nicaraguan people have already chosen their true alternative, which is this Government of National Reconstruction. As long as this Government of National Reconstruction does not establish itself on Nicaraguan soil, there will be no peace in Nicaragua. We want peace and stability for Nicaragua, but on the basis of a just solution.

[Question] Dr Ramirez, what importance do you attach to the fact that the United States has been gradually increasing its pressure on Somoza, to the point that Mr Viron Vaky, undersecretary of state for inter-American affairs, said 2 days ago that one could no longer negotiate with or establish a mediation mechanism involving Somoza?

[Answer] Well, in the name of the Broad Opposition Front, I participated with the Americans in last September's mediation process. What Mr Vaky is saying now is what we asked him to say then. We asked him to say then that Somoza had to be isolated, that the United States was not supporting Somoza in any way and that the only solution, or beginning of a solution, to Nicaragua's crisis required that Somoza and his family leave the country. If the Americans had been clear about this then, the lives of at least 20,000 persons would have been spared. I do not blame the Americans for having recognized this belatedly. It is all right for them to recognize it at some point, but I do wish to point out that an earlier recognition would have spared 20,000 lives, would have prevented the destruction of the country's economy and would have prevented our being faced now with a destroyed country, a country in ruins. I must be objective and say that the Carter administration's position has differed markedly from those of previous U.S. administrations, which in the past have unrestrictedly supported the Somozist dictatorship. The Carter administration has changed this stand, but we think the changes brought about are not enough.

If the United States wished to conform to the OAS resolution it supported, it should immediately break relations with the Somozist dictatorship and recognize Nicaragua's Government of National Reconstruction as the true representative of the Nicaraguan people's interests. I say this because if, after it signed the OAS resolution condemning the Somozist dictatorship for its inhumanity and decreeing its virtual isolation, the United States sends its new ambassador, Mr Pezzullo, to Managua--as in effect it did yesterday--even if he does not present his credentials, this action reflects a certain duality and may make certain National Guard sectors believe the U.S. Government still supports the Somozist regime. Everyone knows that in our small countries the arrival of a new U.S. ambassador--and I say this in Nicaragua's case specifically--constitutes a veritable political ritual. Everybody watches what the new ambassador is going to do, what his new policy is going to be. At this point, when a bloddy war, a bloody liberation struggle is being waged in Nicaragua, the appearance of a new U.S. ambassador on Nicaraguan soil lends itself to duality and suspicion and in many ways contradicts the clear stand the United States adopted at the OAS. The United States should confirm this stand by immediately breaking diplomatic relations with the Somozist regime.

FSLN Foreign Committee Statement

PA282229 Panama City Domestic Service in Spanish 1320 GMT 28 Jun 79 PA

["Sobre el Terreno": Interview with Rene Nunez and Agustin Lara, members of the Foreign Committee of the Sandinist National Liberation Front--live]

[Text] [Question] Could you explain what the Foreign Committee of the Sandinist National Liberation Front [FSLN] actually is and what your immediate mission is in Panama and abroad?

[Answer] The Foreign Committee of the FSLN is a body established by the Joint National Directorate to be responsible for representing the Sandinist Front abroad, to coordinate and orient the political tasks of solidarity and other practical functions in the foreign field. The committee was created about (? 3) months ago.

[Question] Then it is something like a small foreign ministry for the Government of National Reconstruction?

[Answer] No, not really. The FSLN has a committee that takes care of international relations. There is a difference between that and the Government of National Reconstruction and what could be its ministry, which is already being formed. Father Miguel d'Escoto is one of its first ambassadors, to the United Nations and the OAS.

[Question] As members of the Foreign Committee of the FSLN, could you tell us what the Sandinist government's policy will be regarding the establishment of relations with other countries? What criteria will you have for these relations?

[Answer] We insist in our program that we will have a broad nonalined policy and that we are interested in relations with all governments. Naturally this will have to occur in a framework of mutual respect, recognition of our right to self-determination and sovereignty, justice and mutual aid. These will be relations that will enable us to reconstruct our fatherland, which has been destroyed by the genocidal Somoza. Therefore, at this time, the Sandinist Front does not oppose the establishment of political, trade, economic and diplomatic relations with the governments of the world who are willing to establish relations in this framework of justice and mutual respect.

[Question] Has your group thought of any particular figure who could become president of the provisional government junta?

[Answer] The government junta is currently composed of five comrades. One of them is the representative of the FSLN Joint National Directorate, Comrade Daniel Ortega Saavedra. It has been agreed that this junta will act as a body. At this time we do not foresee the possibility of a single leader of the junta. This is so because we have established a provisional Government of National Reconstruction with the main task of gathering the greatest possible (? support) of all anti-Somozist forces that have waged a struggle against the current dictatorship and that have the objective of reconstructing our country.

[Question] In view of the semifeudal structures in Nicaragua, what priority programs do you plan to carry out for reconstruction of the country and what international and regional organizations do you plan to use for these tasks?

[Answer] The specific reconstruction plans of the bodies that will be involved in this big task are being drafted by the provisional government. Work is being done in various committees. We could give you further details, but right now, since we have to leave for another engagement and lack the time, we would like to address the Panamanian people on a very important problem we are facing just now. It has to do with the war, which is a problem that has still not been resolved. At this time, despite being isolated, the Somozist dictatorship is being supplied with a large amount of weapons, ammunition and bombs. We have information that a double game is being played. On one hand broad sectors of internation and national opinion are being calmed by governments adopting a political position in opposition to the dictatorship. But the fact is that we are at war. In the next few days we will be more specific. For the time being we can state that through governments such as those of Guatemala and El Salvador, the dictatorship is being supplied with deadly weapons such as 500 lb bombs and 106-mm shells, which is a basic weapon of the U. S. Army.

The dictatorship is being supplied and our people are being killed. They cannot even say it is a struggle in which two armies are on a battlefield; that it is a conventional-type war. Instead, the weapons are falling on our people and on their homes. We would like to take this opportunity to tell the Panamanian people about the charge we are going to make in all international forums. Where does the dictatorship get 500-lb bombs? Where does it get 106-mm shells, which is a basic weapon of the U.S. Army? Who benefits from the time that is being gained? The dictatorship entered a period of crisis which some analysts believed was [words indistinct]. So time has to be gained while some alternative is planned. We could describe this as a criminally calculated plan.

[Question] Could you say hypothetically that this double game seeks to (?minimize) the action of the Sandinist Front, which has won its credentials through armed struggle against the dictatorship?

[Answer] In reality the aim is not only a direct attack on the Sandinist Front, which is the main fighting force, but also to crush our people's desire for freedom. It is a direct attack on an entire people who have heroically waged one of the bloodiest wars in Latin America against a criminal dictatorship. Despite all the political and diplomatic opposition to this dictatorship, there is evidence that it continues to be supported in order to allow a solution that will [words indistinct] the demands for change in our country.

[Question] We all know that when Fulgencio Batista's dictatorship was dying in Cuba there was an attempt to grab victory from the revolutionary forces led by Castro (?because he was) still in Santiago. At the palace they tried to [words indistinct]. This was an imperialist maneuver. Evidently, from what the comrade has said, one must ask who benefits from this delay? In this case, imperialism and the reactionary forces benefit. They need this time to try to find a solution that serves their interests. I think that despite all the weapons the Sandinist movement has, the dictatorship unfortunately has more. But besides the weapon of the high morale of the Nicaraguan people and the international revolutionary brigades that have gone to Nicaragua, I think you have psychological weapons you can use. Someone suggested to me that maybe you should declare an amnesty for the military. You know the military in reality is the weakest point for Somozism. Perhaps now they are thinking more of their lives than their property. Maybe the Sandinists should declare an amnesty for all those who were willing to accept it right now. Or you could say that those who do not accept it at this time would be executed. This would hurt the National Guard. What do you think?

[Answer] You have touched on two points which I will try to answer briefly. The National Guard is the basic force in Nicaragua. There has been a view--partially correct--that Somoza is the unifying force for the National Guard. As long as Somoza is there, the National Guard will exist. But there is a new situation now as result of the great offensive that has been launched. We maintain that Somoza is not the only unifying factor for the National Guard. Specific promises have been made to Somozist officers who are currently carrying out the dirty work. They are resisting [the Sandinists] only because they do not have any way out. They are carrying out a mission. We do not believe Somoza is the only unifying force. Somoza is (?gradually) losing his ability to be a unifying factor. There are secret commitments between those high-ranking Somozist National Guard officers and imperialism. We are working hard to gather the data and evidence to show the world and to expose this maneuver, which we could describe as criminal because each day that passes brings more death and destruction in Nicaragua. In view of the time, we have to leave; but we want to reiterate this--calculating criminal forces are behind this. We believe the Panamanian people and the international solidarity movement should be aware of this and be on the alert. All the solidarity forces, particularly in Panama, should keep their eyes on the Canal Zone. Thank you very much.

COSTA RICA

TORRIJOS ARRIVES UNEXPECTEDLY; DISCUSSES NICARAGUA

PA020132 Panama City ACAN in Spanish 0041 GMT 2 Jul 79 PA

[Excerpt] San Jose, 1 Jul (ACAN-EFE)--Gen Omar Torrijos Herrera, former chief of government of Panama and commander in chief of the National Guard, said today, Sunday, that he came to Costa Rica with the purpose of obtaining assurances that an eventual change of government in Nicaragua will pacify that country. Torrijos unexpectedly arrived this morning at the Juan Santamaria Airport, from where he left, by air, for Puntarenas on the Pacific coast to meet with Costa Rican President Rodrigo Carazo Odio. Meanwhile, other delegates of the Panamanian Government were meeting in San Jose with three of the five members of the provisional junta of the Nicaraguan Government of National Reconstruction.

Torrijos said that President Carazo's opinions on the future actions of the Sandinist government are very important because Costa Rica is the neighbor of the country which is now experiencing a civil war. He added that the Nicaraguan opposition government, which he labeled the "authentic government of Nicaragua," guaranteed him that Nicaragua would live in peace after the overthrow of Gen Anastasio Somoza's regime. Concerning the Sandinist National Liberation Front [FSLN], he said that it has placed Nicaragua "on the map of free countries." Torrijos labeled as a diplomatic trick of U.S. diplomacy the charges being made that Costa Rica and Panama have let FSLN guerrillas use their territories to transport arms and men into Nicaragua.

CARAZO MEETS WITH U.S. SPECIAL ENVOY BOWDLER

PA292148 Buenos Aires LATIN in Spanish 1631 GMT 29 Jun 79 PA

[Text] San Jose, 29 Jun (LATIN)--Today, Costa Rica and the United States are studying measures based on the recent OAS resolution on the Anastasio Somoza regime. Talks began between President Rodrigo Carazo, Foreign Minister Rafael Angel Calderon and William Bowdler, special envoy of U.S. President Jimmy Carter who arrived in Costa Rica from Pamama yesterday. Although details of the meeting were not disclosed, the Costa Rican president said at the conclusion of the talks, their aim is to find a joint solution that will be truly successful and not theoretical.

On Saturday, 17 OAS members agreed that Somoza should resign and be replaced by a democratic regime in view of the crisis being faced by Somoza as a result of the guerrillas' military offensive. According to Carazo, Bowdler carried out similar efforts in Panama. The United States is gathering information and views from the 17 countries which voted against Somoza to form an opinion and seek a solution which will interest all of us, Carazo said. The president added that since the United States also voted against Somoza, it is determined to actively participate in the search for a solution and that is why there was an exchange of opinions today.

Carazo said that the essential thing is "Somoza's departure," complemented with the establishment of a democratic and representative government so that peace will return to Nicaragua and Central America. He noted that this peace will be established to exist without the presence of the regime which was described as disastrous by a two-thirds vote of the OAS members. Carazo also disclosed that besides the talks with Bowdler, he has also spoken over the telephone with the presidents of the 17 nations which voted against Somoza and the members of the junta of the Nicaraguan provisional government in exile. Foreign Minister Calderon said that at the meeting with the U.S. envoy, they discussed the OAS resolution and the way to implement it. "We also explained Costa Rica's position and asked to learn about the U.S. position," he said.

ANDEAN PACT MISSION MEETS RECONSTRUCTION JUNTA

PA300409 San Jose Radio Reloj in Spanish 0100 GMT 30 Jun 79 PA

[Text] According to the Andean Pact countries, the position held by all OAS members is clearly defined by the resolution adopted by the consultative body. Any modification in the situation in connection with Nicaragua's case must be analyzed at a meeting of the consultative body and any decision must be framed within OAS principles. Our endorsement of the principles of freedom and respect for human rights lies above any other consideration, Hilarion Cardozo, Venezuela's representative to the OAS, said today. This afternoon, Peruvian and Venezuelan representatives Luis Marchand and Hilarion Cardozo, respectively, met here in San Jose with three of the five members of the junta of the Government of National Reconstruction of Nicaragua.

PRESIDENT FORESEES IMMINENT END OF SOMOZA REGIME

PA291538 San Jose Radio Reloj in Spanish 1200 GMT 29 Jun 79 PA

[Text] President Rodrigo Carazo, referring to the Nicaraguan situation, said there is little left to be done to achieve peace in Central America. He added that this knowledge reassures him that Somoza will not dare to carry out his threats to attack Costa Rica. The chief of state was emphatic in stating that it will not be long until Somoza and his regime disappear from Nicaragua.

Reviewing incidents during recent months, Carazo said that when Somoza threatened and attacked Costa Rica in September, Costa Rica received support from the OAS, although not from its member nations individually. In due time however, Carazo added, these nations came to realize the dangerous nature of that regime. For this reason, 75 percent of the OAS membership voted against Somoza last week. When referring to the OAS sanction against the Nicaraguan Government, President Carazo said the sanctions were not against Somoza alone, but also against the regime. Concerning the solutions to the problem, the Costa Rican chief of state said he had talked with the presidents of all the nations concerned and with the members of the government of National Reconstruction. From these meetings, he concluded, it was clearly agreed that the objective is to establish a democratic regime in Nicaragua.

FOREIGN MINISTER CALDERON DENIES RUMORS HE WILL RESIGN

PA301426 San Jose Radio Reloj in Spanish 1200 GMT 30 Jun 79 PA

[Text] There is no crisis or division within the government. I have not submitted my resignation from the post of foreign minister, Rafael Angel Calderon Fournier said. He added that he has been working closely with President Carazo and that there is no crisis. On the contrary, he identify with each other regarding actions at the international level. Consequently, the rumors about my resignation are groundless, he said.

BOMB REPORTEDLY EXPLODES IN PRESIDENT CARAZO'S HOME

PA011234 Madrid EFE in Spanish 1152 GMT 1 Jul 79 PA

[Excerpt] San Jose, Costa Rica, 1 Jul (EFE)--A bomb exploded last night in the bathroom of President Rodrigo Carazo's residence. The explosion occurred shortly after President Carazo asked the Latin American heads of state to break diplomatic relations with the Nicaraguan regime of Anastasio Somoza. The bomb exploded in the bathroom drain, breaking class doors and windows but no one was injured, police reported. So far, no one has claimed credit for the attack.

Explosion Termed 'Accident'

WA012049 London REUTER in English 2043 GMT 1 Jul 79 WA

[Text] San Jose, Costa Rica, July 1, REUTER--A spokesman for President Rodrigo Carazo said that an explosion at the Presidential Palce today was caused by an accident and not by a bomb as previously announced. The dawn blast in a bathroom close to the quarters of President Carazo's wife, Estrella, caused some damage but no casualities, the spokesman said. The spokesman said the explosion occurred when a gas water heater overheated.

EL SALVADOR

GOVERNMENT SEIZES WEAPONS-CARRYING PLANE, RELEASES CREW

PA290417 Buenos Aires LATIN in Spanish 0253 GMT 29 Jun 79 PA

[Text] San Salvador, 28 Jun (LATIN)--Costa Rican pilots Carlos Solano Herrera and David Bayardo Bermudez Herrera and Honduran Rolando Gaborth Nunez were released yesterday. The Salvadoran National Guard arrested the three men Saturday when they landed a plane loaded with weapons at El Tamarindo, 165 km from this capital. It had originally been reported that the plane was Venezuelan, then it was officially announced that the plane was Ecuadorean, but the Ecuadorean Embassy here issued a communique denying this. According to the Defense and Security Ministry, since no South or Central American nation has claimed the plane or the weapons, these have been seized by the Salvadoran Government and turned over to the Air Force.

PRESIDENT ROMERO CONFIRMS CABINET MEMBERS IN THEIR POSTS

PA010323 Paris AFP in Spanish 0143 GMT 1 Jul 79 PA

[Excerpt] San Salvador, 30 Jun (AFP)--After 2 years in the administration, the members of President Carlos Humberto Romero's cabinet were confirmed in their posts today. At a council of ministers held at the House of Government on Friday, the president confirmed the members of his cabinet in their posts and urged them to continue working with enthusiasm on behalf of the country, it was learned today. Romero succeeded Col Arturo Armando Molina 2 years ago, after holding the post of defense minister in the latter's administration.

VICTIMS OF VIOLENCE CONTINUE TO BE FOUND

PA302238 Panama City ACAN in Spanish 1725 GMT 30 Jun 79 PA

[Text] San Salvador, 30 Jun (ACAN-EFE)--Every day the judicial authorities find in various places in El Salvador the bodies of unidentified individuals who have been shot to death in the wave of violence that has affected this Central American country in recent months. On Friday evening, the authorities in Quezaltepeque, in the north, discovered the bodies of two young men who had been shot to death in a place known as El Playon, where bloody incidents often occur. One of the bodies was wrapped in the flag of the clandestine Popular Liberation Forces (FPL), while the other was naked and had adhesive tap covering its eyes and mouth.

The two men were buried as unidentified persons. Forty-two persons have been reported killed for ideological reasons during June. In each of these cases the police have announced that investigations are underway in order to punish those responsible for this large number of deaths. An official source recently told this agency that President Gen Carlos Humberto Romero has ordered a thorough investigation of these incidents and has reiterated his condemnation of violence, regardless of its origin.

GUATEMALA

CENTRAL AMERICAN MILITARY COMMANDERS REPORTEDLY MEET

PA292153 Paris AFP in Spanish 1638 GMT 29 Jun 79 PA

[Text] Guatemala City, 29 Jun (AFP)--The newspaper EL GRAFICO of this capital reported today that high-ranking military chiefs of Guatemala, El Salvador, Honduras and Nicaragua met here yesterday. The military chiefs arrived in small jets of their respective air forces. The newspaper published photographs of the airplanes as they were leaving at noon yesterday. The paper says that the summit meeting of the armies of the area took place from 1000 to 1200. It does not give the names of those attending the meeting.

EL GRAFICO expressed the belief that Guatemalan President Gen Romeo Lucas participated in the meeting. The Guatemalan president failed to attend a function which took place at the same time at the Guatemalan military school on the eve of army day. The paper also mentions the rumor that there was a meeting of the four presidents of the countries mentioned and that they had been accompanied by the military chiefs of the area. This morning, the Guatemalan Army public relations office neither denied nor confirmed the report of the meeting.

Defense Ministry Denies Meeting

PA292154 Panama City ACAN in Spanish 1810 GMT 29 Jun 79 PA

[Text] Guatemala City, 29 Jun (ACAN-EFE)--The Guatemalan Ministry of Defense denied today, Friday, that the chiefs of the armies of Guatemala, El Salvador, Honduras and Nicaragua had met here yesterday to discuss the Nicaraguan war. Col Marco Antonio Castellanos, chief of public relations of the Guatemalan Army, said that "no meeting of Central American military officers has taken place in recent days and certainly not in Guatemala."

A rumor had circulated yesterday and today in the Guatemalan capital to the effect that the commanders of the armies of Guatemala, El Salvador, Honduras and Nicaragua had met at the Air Force headquarters here yesterday afternoon. However, the rumor was denied by government sources. In addition to Colonel Castellanos, Carlos Toledo Vielmann, secretary of public relations of the presidency, said that he had no information whatsoever about such a meeting. The Army spokesman reiterated that the Guatemalan Armed Forces are maintaining a policy of neutrality with regard to Nicaragua's political and military crisis.

GOVERNMENT BACKS CENTRAL AMERICAN OIL PRICE COOPERATION

PA292222 Panama City ACAN in Spanish 2003 GMT 29 Jun 79 PA

[Text] Guatemala City, 29 Jun (ACAN-EFE)--Guatemalan Economy Minister Valentin Solorzano said today that it will be necessary to again increase the price of gasoline in Guatemala because OPEC increased its oil prices. He said that the Guatemalan Government is making every effort for the fuel price increases to be absorbed by the consumer with greater economic power. "We increased the price of high-octane gasoline used by the large luxury automobiles while keeping the price of diesel and other popular fuels--like regular gasoline--at the previous prices, Solorzano said. The economy minister came out in favor of the Central American countries confronting the oil price increase together in order to lessen its effects. He added that it is unjust for the oil-producing countries to promote their prosperity by increasing the prices paid by the small countries, like those of Central America. The Central American countries consume Venezuelan oil.

WORKERS RELEASE MEXICAN AMBASSADOR, LEAVE EMBASSY

PA301834 Panama City ACAN in Spanish 1745 GMT 30 Jun 79 PA

[Text] Guatemala City, 30 Jun (ACAN-EFE)--Mexican Ambassador to Guatemala Rafael Macedo Figueroa was released here at 1030 (1630 GMT) today by the 20 textile workers who had occupied the embassy to air their labor demands. The workers of the Panamtex Company peacefully abandoned the embassy after obtaining indemnity from their employers who yesterday closed down the company's operations claiming they did not have a market for their products. The agreement was achieved last night by Labor and Social Planning Minister Carlos Alarcon Monsanto. The workers left the embassy today instead of last night "due to security reasons."

Ambassador on Embassy Occupation

PA291553 Madrid EFE in Spanish 1015 GMT 29 Jun 79 PA

[Text] Mexico City, 29 Jun (EFE)--Guatemalan Ambassador to Mexico Jorge Palmieri said here today that the workers who have occupied the Mexican Embassy in Guatemala are "misinformed." He said that the textile workers are following the bad example set by the workers of the Duralita Company, who went to the Swiss Embassy in September to air their labor problems. "One can understand the action on that occasion since that company's capital is Swiss, but I am honestly not aware that the Panamtex Company's capital is Mexican," the ambassador said. Regarding the Guatemalan Government's security measures to protect the individual guarantees of Mexican Embassy personnel, he said that "all embassies accredited in my country have two police agents to prevent abuses, but on this occasion the Mexican ambassador asked for their withdrawal."

HONDURAS

GOVERNMENT TO DEPORT 45 SANDINISTS TO MEXICO

PA301717 Panama City ACAN in Spanish 1508 GMT 30 Jun 79 PA

[Text] Tegucigalpa, 30 Jun (ACAN-EFE)--It was announced here today that 45 of the 70 Nicaraguan Sandinists being held under arrest by the Honduran Army will be deported to Mexico on Monday. The Honduran Government, along with the Honduran Committee of Solidarity with the Nicaraguan People, arranged to have Mexico accept the Nicaraguan guerrillas. The Sandinists were captured in training camps which the Honduran Army dismantled near the Nicaraguan border. The army confiscated large amounts of heavy and light weapons in the camps. The Honduran Committee of Solidarity with the Nicaraguan People has told the news media that it supports the Honduran Government's broad spirit of cooperation, since it has always freed the imprisoned guerrillas by deporting them to friendly countries, excluding Nicaragua.

NEWSPAPER CIAIMS FOREIGN MINISTER HAS RESIGNED

PA301626 Panama City ACAN in Spanish 1505 GMT 30 Jun 79 PA

[Text] Tegucigalpa, 30 Jun (ACAN-EFE)--The local newspaper LA TRIBUNA reported here today that it had unofficially learned yesterday that Foreign Minister Col Roberto Palma Galvez had submitted his resignation to the military government. The newspaper explained that it tried to verify the report through official sources, but its efforts were useless because of their silence. LA TRIBUNA noted that it was able to confirm that early today, the foreign minister ordered his driver to remove all his belongings from the Foreign Ministry and take them to his home, which tends to support the report.

The newspaper explained that Palma Galvez' decision resulted from the ambivalent stand that the Honduran Government forced him to adopt at the 17th OAS consultative meeting which ended recently. At that meeting, Honduras, along with 13 other countries, sponsored a resolution requesting a change in the Nicaraguan regime as a political solution to the country's crisis. However, when the time to vote came, the foreign minister surprised everyone by abstaining from voting. It was also announced that Palma Galvez is seriously ill in a private clinic in Tegucigalpa, but this has not been confirmed either.

NICARAGUA

PRESIDENT SOMOZA BEING 'PRESSURED' TO RESIGN

PA292019 Buenos Aires LATIN in Spanish 1805 GMT 29 Jun 79 PA

[By Agustin Fuentes]

[Excerpt] Managua, 29 Jun (LATIN)--While the government announced military victories in Managua and on the Costa Rican border, today there was increased pressure from the United States and other American countries for the resignation of President Somoza and the establishment of a democratic transition government. The army officially announced that it had concluded its operations in Managua where the guerrillas, who had occupied 12 neighborhoods in the city's eastern section, withdrew to reinforce the insurgents who are occupying Masaya. The army announced it would begin a counteroffensive today wherever there "are subversive pockets."

The guerrillas completely control six cities and partially control four others. Observers believe that since the government would have to rely heavily on the air force to attack the guerrillas, who are well entrenched and organized in cities such as Leon, Masaya and Diriamba, the number of casualities in this war could increase to 10,000. Diplomatic sources said that efforts are being made to stop this bloodbath. According to the sources, new U.S. Ambassador Lawrence Pezzullo is meeting with President Somoza again today to try to convince him that his best option is to resign as soon as possible. Government sources have insisted that Somoza has refused to resign, particularly at this time when, according to National Guard reports, he is winning the war. They added that Somoza has told his friends that he could never accept Sandinist plans for the dismantling of the National Guard to give way to the Sandinist army. Meanwhile, the members of congress, who would have to be notified of Somoza's resignation if it occurs, are at the Intercontinental Hotel, near Somoza's office, waiting to be summoned to an urgent meeting which, according to government sources, "might be held today, tomorrow, within 1 week or 1 month."

SOURCES SAY U.S. MEDIATION WITH FSLN GOVERNMENT FAILS

PA020122 Panama City ACAN in Spanish 0013 GMT 2 Jul 79 PA

[Text] San Jose, 1 Jul (ACAN-EFE)--A second meeting between special U.S. Ambassador William Bowdler and the Nicaraguan Government of National Reconstruction Saturday evening ended in failure, according to what opposition junta sources in San Jose told ACAN-EFE. Bowdler first met with Violeta de Chamorro, Sergio Ramirez and Alfonso Robelo, members of the opposition government, in Panama City on Wednesday, 27 June. A second meeting was held Saturday evening at the urging of the U.S. Embassy in San Jose.

A communique from the government proclaimed by the Sandinist National Liberation Front [FSLN] released today, Sunday, reported on the results of the meeting. It said that Bowdler was told that a four-point plan promoted by Washington to obtain the pacification of Nicaragua is considered by the Government of National Reconstruction as "another Washington intervention in the internal affairs of Nicaragua." President Jimmy Carter's special envoy was also told that an adviser of the U.S. Embassy in San Jose, Richard Barnabay, has tried to divide the opposition forces, specifically the Broad Opposition Front [FAO] and the Superior Council of Private Enterprise [COSEP]. Bowdler was questioned by Father Miguel d'Escoto, the Sandinist ambassador before the OAS, on the United States' reasons for denying representation to this government. The communique said that Bowdler replied that its representation is not recognized because some oppositions groups, such as the FAO and COSEP, are not represented. He was informed that Robelo represents the FAO and that both organizations had issued statements of support for the members of the Government of National Reconstruction, copies of which were supplied.

It was also explained to the special ambassador that what is expected from the United States is that it comply with the resolution of the 17th conference of the OAS consultative body, for which his government voted in the affirmative and through which President Anastasio Somoza was asked to resign. The government junta said that Bowdler replied that his government could not act in that fashion "because it would lose the possibility of influencing the transition from Somozism to what came afterward." Bowdler expressed concern over what could happen to the Somozists and the members of the army when Managua's government falls. In this respect, the junta said that "at this moment we should be concerned with the suffering and pain which the Somozist dictatorship is causing the people of Nicaragua due to its obstinate attitude of remaining in power." He was also told that those found responsible for crimes will be punished in accordance with the magnitude of their acts, with the right to defense and through the courts of justice.

Before leaving, Bowdler asked for another meeting with the provisional junta of the Government of National Reconstruction on Wednesday, 4 July. This was agreed to. Ambassador Bowdler was sent by the U.S. State Department to find ways to establish a democratic government in Nicaragua. He has met with Costa Rican President Rodrigo Carazo Odio and political sectors of Costa Rica. In October 1978 he also promoted a virtual solution to the civil war initiated in Nicaragua then, but his efforts were unsuccessful.

PRESIDENT VOICES INTRANSIGENCE TO ARGENTINE PAPER

PY302030 Buenos Aires CIARIN in Spanish 30 Jun 79 p 14, 15 PY

[By Mario Stilman, special correspondent]

[Text] San Jose, Costa Rica--"Now I am more determined than ever: I will not resign." The voice sounded harsh, cutting, energetic over the telephone line. This was Nicaraguan President Anastasio Somoza's reply to a quesion made by CIARIN's special correspondent from the Costa Rican capital. In Managua, a city enveloped in the flames of war, the president is the target of local and foreign attacks to obtain his resignation in an attempt to pacify the country.

Somoza, ensconced in his bunker, maintained that he had left a military conference which was analyzing the latest events in the fighting, particularly the unexpected withdrawal of the Sandinists from the capital, in order to answer CIARIN's questions. Anastasio Somoza's voice was clearly heard: I can give you only 10 minutes.

[Question] Mr President, were you willing at any time to resign?

[Answer] Yes, I though about it. Above all because, since I love the Nicaraguan people as much as I do, I though that my withdrawal might lessen the tensions of war and pacify my country which is suffering an international communist aggression. A couple of weeks ago I spoke with the 16 commanders of the National Guard and before them I maintained that it was necessary to adopt a conciliatory attitude so the people would no longer suffer the consequences of combat, hunger and disease. They told me that they were ready to die in defense of my democratically elected government. But I was in doubt then. I wished that it could all end as soon as possible to begin the task of rebuilding the country.

[Question] What has now led you to a change of mind?

[Answer] In the first place, I believe that I should not abandon my people because, after the rebellion is stamped out, all Nicaraguans will restore the nation together, as we did after the earthquake 7 years ago. But the thing which most compelled me was the pressure from international terrorism, which wants to overthrow me in order to impose regimes of oppression throughout the Central American region. They are urged on by Cuba, Venezuela, Panama and Costa Rica; and the United States is foolishly lending itself to this game. So I cannot allow the designs of these five members who say that they represent the Nicaraguan Government and who have been recognized as legitimate by some people. I wish to tell the world that I am the only legitimately elected president in Nicaragua.

[Question] It is said, however, that you have sent a message to President James Carter, telling him that you might abandon Nicaragua, if two conditions are respected: The continuation of the National Guard and an emergency government led by your constitutional successor. Is this true?

[Answer] I maintained that it was necessary to preserve the National Guard to prevent the Sandinists from murdering those who were defending the democratic cause of this government. I am now in doubt that those Sandinists will respect the lives of good men, even after receiving all the necessary guarantees. Here in Managua they set about murdering the civilians who would not go along with their plans.

[Question] Do you believe they will respect those who fought against them?

[Answer] No, sir. As I have told you several times, it is necessary to solve the Nicaraguan problem as a military question, because it is a military situation. In the same way that I have dislodged the Sandinists from Managua, I will dislodge them from the whole country and send them back to their starting places, which are Costa Rica, Panama, Venezuela and Cuba.

[Question] You summoned Venezuelan Foreign Minister Carlos Zambrano 10 days ago. What was the reason for the summon and what conclusions did you reach?

[Answer] I told Zambrano that I wished to arrive at a peaceful solution to the problem. But that gentlemen told me that only my stepping down could influence the course of the civil war. As you can imagine, I am not willing to accept that type of dictate. After a 2-hour talk, during which I was threatened that the whole continent would boycott the Nicaraguan Government, we could not reach any conclusion. I said that I was even willing to talk with the Sandinists, if the guerrillas laid down their arms. I repeat: I am full of good will for dialog, but I will set the conditions for the dialog.

[Question] What are those conditions?

[Answer] As I told you in Managua approximately 15 days ago, the Nicaraguan situation is the result of actions carried out by gangs of rebels who seek to disrupt the internal legal reality and to bring about the government's failure. Since I was entrusted with a mandate which expires in 1981, I am willing to talk with the opposition within the country's legal framework so that a transfer of power can be implemented in an orderly manner upon the expiration of my presidential term. I believe that the new provisional government has no popular support and merely reflects the guerrilla activities in which the opposition is engaged.

[Question] Is it true that Ambassador Pezzullo delivered to you a personal letter from Carter asking you to resign?

[Answer] Well, that is part of the offensive launched by the U.S. State Department, which is infiltrated with leftists. What they want is to see me go to be able to achieve their objectives to impose terror among my people.

[Question] What was your answer to Pezzullo?

[Answer] Nothing. Look, many things are said here and I am quoted as saying things which I would have never thought of saying. There is also a conspiracy among journalists to put me in an awkward position in the face of international public opinion. But I have already given my answer to Vance and Bowdler a long time ago. Late last year, I told them about my proposal to call a plebiscite, that I was open to dialog. And I still think that two things can put an end to the slaughter in my country: First, by preventing foreign countries from supplying arms to the Sandinista guerrillas, and secondly, through a democratic way of solving the problem.

[Question] What is your position regarding the OAS resolution?

[Answer] That it is meaningless. It is not even a mandate binding the OAS member countries. If one considers it more thoroughly, one may think that it imples interference in Nicaraguan domestic affairs. They could well focus their attention on what Venezuela, Panama or Costa Rica have been doing. But, no, the OAS is determined to see me go and to leave the field clear to the communists. I would like to see how they will manage to cope with another Cuba established in the continent. That island is very damaging for democratic ountries in America. We should erase it from the map. Just look at the CIA report--which was confirmed by the U.S. State Department--that Cuba has been actively participating in this war and that Castro wants to expand it to take possession of Guatemala and El Salvador. They have ties with all existing communist groups in Central America, especially in Panama and Costa Rica. I really don't know what is going to happen.

[Question] What do you think of the U.S. proposal?

[Answer] Which one?

[Question] The four-point proposal presented to Foreign Minister Quintana by Assistant Secretary Warren Christopher..

[Answer] The thing is that they are presenting a different proposal every day. They no longer want to innovate proposals. Instead, in the end, each new proposal is just the same one which was made 6 months ago and quite similar to the one made a year ago when they came to see me about a plebiscite. Now they want me to resign and to let Rener form a government with a very broad basis. And I want to ask: On what basis?

[Question] That of the provisional government?

[Answer] Of those five, three are Communists. If they are worried about my fate, why don't they help me eliminate the Sandinistas just as I helped them fight communism for 30 years?

[Question] Then, why do you think they are not helping you?

[Answer] Well, a major sector of the U.S. Government has been helping me but this is not enough to foil this international plot. Only the sector which supports Carter is determined to force me out because many of them are leftists. Can't you see it clearly? Not only did the U.S. State Department recognize the government junta but now it recognizes the existence of the Sandinista guerrillas. This acceptance implies a virtual legal--I would say juridical--recognition of a situation they (?must) have helped overcome. But they have not done so and they are openly promoting this situation. I will find help elsewhere to defend the democratic system in Nicaragua. And I want to ask you to excuse me because my advisers are waiting.

CONGRESS SESSION POSTPONED INDEFINITELY

PA302047 Buenos Aires LATIN in Spanish 1940 GMT 30 Jun 79 PA

[Text] Managua, 30 Jun (LATIN)--The session of the National Congress scheduled for today was postponed indefinitely, Luis Pallais Debayle, vice president of the Chamber of Deputies, spokesman for the body and a cousin of President Anastasio Somoza, told LATIN, thus putting an end to rumors that the president's resignation was to be presented during the session. Somoza has been under strong U.S. pressure from U.S. Ambassador Lawrence Pezzullo to present his "unconditional" resignation in accordance with an OAS resolution.

According to Somozist sources, the president has given Pezzullo several conditions that would have to be met before he would consider resigning. These conditions, the sources say, refer to the National Guard's remaining as the institution that would guarantee order and of the Nationalist Liberal Party remaining as one of the political forces that would comprise the coalition government. Both conditions have met with opposition from the U.S. diplomat. For this reason, Somoza has refused to resign, said the sources, emphasizing that with this attitude "Somoza is relying on the full support of the National Guard and the Nationalist Liberal Party."

The National Guard officers in charge of security at the Intercontinental Hotel angrily stated this morning: The Yankees think that we are going to turn over the garrisons to Los Chapuceros (Sandinists), but that is not possible. Liberal politicians such as Deputy Manuel Zurita told newsmen: It is the first time in history that an army and a victorious general are being asked for their unconditional surrender. He explained that, in his opinion, the National Guard is winning the war and will be victorious now that it has evicted the guerrillas from Managua and as soon as the invasion from the south is halted.

However, reports for the country's interior describe the situation as critical for the government forces, not only in Jinotega Department, in the country's south, where it was confirmed that Sandinists had occupied San Rafael, Yali and La Concordia, but in Masaya and Carazo departments, near the capital.

Meanwhile, liberal congressmen remain at the Intercontinental Hotel near the Presidential Palace where Somoza and Pezzullo are holding their talks. Observers said that Congress will hold a session depending on the outcome of the talks. According to diplomatic sources, the talks have been intensive and tiring. Pezzullo visited Somoza on Friday afternoon. He returned in the evening and the discussions lasted until dawn today. It was not reported whether the talks will continue today or Monday.

Meanwhile, the National Guard has announced that its military operations continue throughout the country. In Managua, traffic flowed between the city and Las Mercedes International Airport for the first time in 20 days.

SANDINISTS ISSUE WARNING TO DEPUTIES, SENATORS

PA301504 Radio Sandino (Clandestine) in Spanish to Nicaragua 1200 GMT 30 Jun 79 PA

[Text] The Sandinist National Liberation Front warns Somozist, Zancudo [not further identified] and conservative deputies and senators about the following:

1. The enemies of our people are trying to use Somoza's congress to devise a way out for him and to deprive us of the victory we are about to achieve.

2. Any deputies or senators who attend such a black mass will be condemning themselves as enemies of and traitors to our people's struggle and will be tried accordingly by revolutionary justice.

3. Any deputies or senators who do not attend this session of the dying dictatorship will be respecting the people for the first time. We will bear this fact in mind when the [word indistinct] time of victory.

Senators and deputies, the entire Nicaraguan people will be witnesses to your decision. If you attend, you will be an accomplice subject to punishment. If you do not attend, you will be fulfilling your duty. No to imperialist maneuvers to find solutions not agreeable to the people. Yes to the government of National Reconstruction. Free Fatherland or Death!

LIBYA RECOGNIZES GOVERNMENT OF NATIONAL RECONSTRUCTION

For Tripoli JANA coverage of Libya's announcement of its recognition of the Nicaraguan provisional Government of National Reconstruction, see the North Africa section of the 2 July Middle East and North Africa DAILY REPORT.

COURT-MARTIAL INVESTIGATES U. S. JOURNALIST'S KILLING

PA012235 Panama City ACAN in Spanish 1922 GMT 1 Jul 79 PA

[Text] Managua, 1 Jul (ACAN-EFE)--Santiago Carrasco, A Nicaraguan National Guard auxiliary, has been charged with the killing of U. S. journalist Bill Stewart in Managua on 20 June. Stewart was murdered while on a reporting mission in El Dorado District, one of the areas in which heavy fighting occurred in Managua around the middle of last month. Nicaraguan Juan Francisco Espinosa, who served as Stewart's interpreter, was also killed on the same day. A military court is investigating the identity of the soldier who killed Espinosa. Cpl Lorenzo Brenes had initially been named as Stewart's killer. However, in new sessions, the court-martial has found no evidence against this soldier. The court-martial which is investigating the two murders is composed of Colonels Manuel Sandino, Efrain Santamaria and Edmundo Roeder. Col Felix Sanchez has been appointed prosecutor. Santiago Carrasco has asked Lt Isidoro Lopez Prado, a former Nicaraguan military attache in Mexico who is now in Managua, to defend him.

JUNTA DENIES FSLN APPLYING SUMMARY **JUSTICE**

PA302207 Radio Sandino (Clandestine) in Spanish to Nicaragua 1200 GMT 30 Jun 79 PA

[Communique No 11, dated 29 June 1979, issued by the Government of National Reconstruction of Nicaragua to Nicaragua and the world; read by announcer]

[Excerpts] The Government of National Reconstruction of the Republic of Nicaragua responds with the truth to the campaign being waged nationally and internationally by the criminal Somozist regime--betraying the good faith of the communications media and world public opinion--claiming that the Sandinist National Liberation Front [FSLN] is applying summary justice in the cities and towns that have been liberated during the current offensive. The FSLN has said that we will be implacable in combat and generous in victory. The Sandinist combatants have fulfilled their word.

The social communications media and world public opinion both have irrefutable evidence of the Sandinist combatants' noble conduct at the hour of victory. The Nicaraguan Government of National Reconstruction guarantees that those responsible for the thefts and crimes committed against the Nicaraguan people as well as for their suffering, will be punished in accordance with the magnitude of their crimes. But the Government of National Reconstruction also guarantees that those indicted will be tried in accordance with their rights and that the courts of justice will be the ones to determine either their culpability or innocence.

[Dated] Year of the National Liberation 29 June 1979

[Signed] Junta of the Government of National Reconstruction

NATIONAL GUARD DENIES LANDING TROOPS IN EL NARANJO

PA291500 San Jose Radio Reloj in Spanish 1200 GMT 29 Jun 79 PA

[Text] Col Aquiles Aranda Escobar, chief of the Legal and Public Relations Office of the Nicaraguan National Guard, denied reports from Costa Rica of an alleged landing of 300 national guardsmen in El Naranjo to attack Sandinist forces there. Colonel Aranda Escobar also denied claims that the National Guard was preparing to destroy the bridge over the (?Caralsete) River in Costa Rican territory to prevent guerrillas from crossing into Nicaragua.

GOVERNMENT CALLS FOR RETIRED GUARDSMEN TO RETURN TO RANKS

PA010304 Managua Domestic Service in Spanish 0200 GMT 1 Jul 79 PA

[Text] Attention, retired national Guardsmen of all ranks: The time has come for you to again wear the glorious uniform of a soldier of the republic. Our country is experiencing open aggression from international communism, which is using our sacred territory as an experimental ground for models of Marxist-Leninist insurgency. All of you, without exception, in response to this sacred call of the fatherland, must present yourselves to the nearest military headquarters to receive instructions. With the concourse of all its soldiers, Nicaragua will emerge victorious from this challenge by international communism.

GUYANA, JAMAICA, ST LUCIA TO GET CDB LOANS

FI271500 Kingston SUNDAY GLEANER in English 24 Jun 79 pp 1, 3 FL

[Excerpt] Bridgetown, Barbados, 22 Jun (CANA)--The Caribbean Development Bank (CDB) today announced the approval of loans to Guyana, Jamaica and St. Lucia totalling 14.8 million dollars U.S. The biggest allocation - 10.9 million dollars U.S. - goes to Guyana, with Jamaica to get 3.6 million dollars U.S., and St. Lucia 319,500 dollars U.S. A statement from the Barbados-based bank today said the loans were approved at yesterday's 53rd meeting of the board of directors.

For Guyana, a first loan of four million dollars U.S. from the CDB's ordinary capital resources (OCR) will be used for financing drainage, irrigation and other infrastructural works in the sub-project of the Tapakuma irrigation project in Essequibo. The second loan, 6.9 million dollars (U.S.), from the O.C.R. will be used by the Guyana Government for onlending to the state-owned electricity corporation (GEC) for the erection of 110 miles of single-circuit transmission line linking generating stations at Sophia and No 53 Corentyne.

Jamaica's loan from the O.C.R. will be used by the Kingston and St. Andrew water commission for the improvement and expansion of water supply facilities. The loan to the St. Lucian Government from the bank's special funds resources is for a rural electricity programme comprising the extension of about 24 and a quarter miles of distribution lines to service 29 new areas at Gros Islet, Castries (North), Vieux Fort, Castries (South East) and Choiseul.

The approvals bring the CDB's total financing approved to date loans, contingent loans, equity and grants - to 245,582,000 dollars (U.S.). The CDB statement said the board approved of a revision of the CDB's industry and tourism policy. The board authorised the president, William Demas to sign a non-reimbursible technical co-operation agreement under which the CDB would receive a grant of 390,000 U.S. dollars from the Inter-American Development Bank (IDB) for a study on tourism demand in the Caribbean to be undertaken by the Caribbean Tourism Research Centre (CTRC).

The board also authorised the president to sign a grant agreement by which the United States Agency for International Development (USAID) will make available the sum of 3.5 million dollars U.S. This will enable the CDB to improve the physical environment of selected primary schools in the Caribbean Community (CARICOM) less developed countries (LOCS) and establish a special financing system within the CDB's special funds resources to enable it to support on-going facilities and improvements. The board also authorised the president to sign a loan agreement in the sum of 8.4 million dollars U.S. and a grant agreement in the sum of 1.4 million dollars us with USAID to enable the CDS to finance an employment/investment promotion programme.

BAHAMAS

INDONESIAN ENVOY PRESENTS CREDENTIALS

FI281734 Nassau Domestic Service in English 1700 GMT 28 Jun 79 FL

[Summary] Another ambassador presented his credentials to the acting governor general this morning. He was the ambassador of Indonesia. Sir Gerald Cash welcomed Ambassador (Kamil Raseed) at a brief and warm ceremony. Sir Gerald said that there was a common bond between the Bahamas and Indonesia which could be even closer strengthened. The ambassador, who has been in the Bahamas since Monday of this week, leaves tomorrow.

JAMAICA

OPPOSITION LEADER CRITICIZES '79-'80 PNP Budget

FI271322 Kingston Domestic Service in English 1130 GMT 27 Jun 79 FL

[Text] The opposition leader, Edward Seaga, says the budget does not deal with any of the basic problems facing the country. He said it must be restructured especially to deal with the crisis created by the flood and give priority to those areas of needs specifically aimed at the disaster, and he wants the standing finance committee of the house to be given the task. In addition Mr Seaga has also suggested that the national housing trusts along with the building societies and the Jamaica Mortgage Bank provide a pool of capital to finance loans to build new houses needed by the flood victims.

Delivering his budget presentation at the house yesterday, Mr Seaga attacked the 1979-80 budget for being heartlessly silent on issues of critical importance, and apparent shift in targets. Referring to the current negotiations on the bauxite levy he disclosed that two of the bauxite companies were facing closure because of rising costs. However the major criticism was the failure of the budget to state any policy to justify cuts in vital areas such as agriculture, health and education, the [word indistinct] to parish councils and 25 percent cut in the (?impact) program. He said that these moves (required) a public statement. In terms of the government agreement with the IMF (were) the questions of economic recovery; Mr Seaga painted a negative picture.

[Begin Seaga recording] The [words indistinct] one of the 3-year agreements, economic [words indistinct] means that in the final 2 years we will have to achieve 11.7 percent growth in order to reach a target of 10 percent, but [word indistinct] is an impossibility. Of the 3,500 million dollars of investments which is supposed to be generated in 2 years, year one has generated 549 million dollars leaving 3,000 million to be generated in year two and year three is an impossibility. The targets of 15 percent unemployment for 1982 is an impossibility. The one area in which there is some possibility of meeting the targets is as I said before in the level of [words indistinct] expenditures. It is only after the [words indistinct] needs to answer the question as to whether economic recovery is possible between 1978 and 1980. The answer is firmly no. [end recording]

According to the opposition leader there has now been a shift in the policy of the PNP [People's National Party] government, a shift which has seen a change from previous hostility to private foreign investments. He said it was now recognized that foreign private investment was the only hope for recovery. He maintained that neither foreign nor local investment could be attracted because of political instability occasioned by a number of tragedies. He cited complaints about the electoral system, [words indistinct] security forces and the government's growing relations with communist countries.

ST VINCENT

INDEPENDENCE SET FOR 27 OCTOBER

PA290321 Paris AFP in English 0158 GMT 29 Jun 79 PA

[Text] Kingstown, St Vincent, June 28 (AFP)--St Vincent, a 150-square-mile British colony in the Caribbean Sea with a population of 90,000, will become independent on October 27. The island's premier, Milton Cato, announced this at a news conference here today. It will be the fourth of the self-governing West Indies Associated States created by Britain in 1967 to gain independence. The others are Grenada, Dominica and St Lucia. Antigua and St Kitts-Nevis have not yet fixed independence dates.